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(Original Signature of Member)

116TH CONGRESS
1ST SESSION

H. R. _____

To amend the Federal Election Campaign Act of 1971 to require corporations to report disbursements made by foreign nationals for purposes of disseminating campaign-related public communications and to inquire whether persons providing such disbursements are foreign nationals, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. SWALWELL of California introduced the following bill; which was referred to the Committee on _____

A BILL

To amend the Federal Election Campaign Act of 1971 to require corporations to report disbursements made by foreign nationals for purposes of disseminating campaign-related public communications and to inquire whether persons providing such disbursements are foreign nationals, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Corporate Duty to Re-
3 port Act of 2019”.

4 **SEC. 2. RESPONSIBILITIES OF CORPORATIONS RELATING**
5 **TO DISBURSEMENTS FROM FOREIGN NATION-**
6 **ALS FOR PURPOSES OF DISSEMINATING CAM-**
7 **PAIGN-RELATED PUBLIC COMMUNICATIONS.**

8 (a) RESPONSIBILITIES DESCRIBED.—

9 (1) IN GENERAL.—Section 319 of the Federal
10 Election Campaign Act of 1971 (52 U.S.C. 30121)
11 is amended—

12 (A) by redesignating subsection (b) as sub-
13 section (c); and

14 (B) by inserting after subsection (a) the
15 following new subsection:

16 “(b) RESPONSIBILITIES OF CORPORATIONS RELAT-
17 ING TO DISBURSEMENTS FROM FOREIGN NATIONALS FOR
18 PURPOSES OF DISSEMINATING CAMPAIGN-RELATED PUB-
19 LIC COMMUNICATIONS.—

20 “(1) DUTIES TO REPORT RECEIPT OF DIS-
21 BURSEMENTS.—

22 “(A) REQUIREMENT.—It shall be unlawful
23 for a corporation which receives a disbursement
24 and knows that the disbursement is made in
25 whole or in part for purposes of disseminating
26 a campaign-related public communication de-

1 scribed in paragraph (3) and knows that the
2 person providing the disbursement is a foreign
3 national to fail to notify the Federal Bureau of
4 Investigation of the receipt of the disbursement.

5 “(B) GOOD FAITH RELIANCE ON AFFIRMA-
6 TION BY PERSON PROVIDING DISBURSEMENT.—

7 It is an affirmative defense to an allegation that
8 a corporation committed a violation of subpara-
9 graph (A) that the corporation relied in good
10 faith on an affirmation by the person providing
11 a disbursement described in such subparagraph
12 that—

13 “(i) the disbursement is not made in
14 whole or in part for purposes of dissemi-
15 nating a campaign-related public commu-
16 nication described in paragraph (3); or

17 “(ii) the person providing the dis-
18 bursement is not a foreign national.

19 “(C) PENALTY.—A violation of subpara-
20 graph (A) shall result in a fine under title 18,
21 United States Code, of not more than
22 \$1,000,000 for each such violation.

23 “(2) DUTY TO INQUIRE WHETHER DISBURSE-
24 MENT IS FOR CAMPAIGN PURPOSES AND WHETHER

1 PERSON PROVIDING DISBURSEMENT IS A FOREIGN
2 NATIONAL.—

3 “(A) REQUIREMENT.—It shall be unlawful
4 for a corporation which receives a disbursement
5 which is made in whole or in part for purposes
6 of disseminating a public communication (as de-
7 fined in section 301(22))—

8 “(i) to fail to inquire whether the
9 communication is a campaign-related pub-
10 lic communication described in paragraph
11 (3); and

12 “(ii) if the corporation determines
13 that the communication is a campaign-re-
14 lated public communication), to fail to in-
15 quire whether the person providing the dis-
16 bursement is a foreign national.

17 “(B) CIVIL MONEY PENALTY.—A corpora-
18 tion which violates subparagraph (A) shall be
19 subject to a civil money penalty in accordance
20 with section 309, except that the amount of the
21 penalty may not exceed \$500,000 for each such
22 violation.

23 “(3) CAMPAIGN-RELATED PUBLIC COMMUNICA-
24 TIONS DESCRIBED.—In this subsection, a ‘campaign-
25 related public communication’ is—

1 “(A) a public communication (as defined in
2 section 301(22)) which is funded in whole or in
3 part with an independent expenditure; or

4 “(B) an electioneering communication de-
5 scribed in section 304(f)(3).”.

6 (2) EFFECTIVE DATE.—The amendments made
7 by this section shall take effect upon the expiration
8 of the 1-year period which begins on the date of the
9 enactment of this Act.

10 (b) PROMULGATION OF REGULATIONS.—Not later
11 than one year after the date of enactment of this Act, the
12 Federal Election Commission shall promulgate regulations
13 providing additional indicators beyond the pertinent facts
14 described in section 110.20(a)(5) of title 11, Code of Fed-
15 eral Regulations (as in effect on the date of enactment
16 of this Act) that may lead a reasonable person to conclude
17 that there is a substantial probability that the source of
18 the funds solicited, accepted, or received is a foreign na-
19 tional, as defined in section 319(c) of the Federal Election
20 Act of 1971 (52 U.S.C. 30121(c)), as redesignated by sub-
21 section (a)(1), or to inquire whether the source of the
22 funds solicited, accepted, or received is a foreign national,
23 as so defined. Regulations promulgated under the pro-
24 ceeding sentence shall also provide guidance to political

- 1 committees and campaigns to not engage in racial or eth-
- 2 nic profiling in making such a conclusion or inquiry.